

## South Pacific Fisheries Politics

by

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All South Pacific territories except Tonga have been colonies of major powers, and they have been among the last in the world to gain formal independence. They are also among the last to feel the impact of Western technology and culture. Many face great stresses between rural-based traditional cultures and urban Western styles.

The territories generally have low per capita incomes, high and increasing levels of imports in relation to exports, high unemployment, high rates of emigration, high birthrates, exhausted agricultural lands, and high reliance on external aid.

There are major commercial fishing operations based at American Samoa, Fiji, the New Hebrides, Papua New Guinea, the Solomon Islands, and Palau in Micronesia. These operations are all for the catching and processing of tuna for the export market, and all are based on joint ventures with American or Japanese firms, such as Japan's Taiyo, and the United States' H.J. Heinz (Star-Kist), Ralston Purina (Van Camp), and Castle & Cooke (Bumble Bee). There are also some export-oriented lobster and other fisheries, all far smaller than the tuna operations.

Apart from the fish landed in the islands, large quantities of fish are also taken from the waters of the South Pacific by long distance fishing fleets of other nations, especially nations of the northern Pacific--Japan, Korea, Taiwan, the United States, and the Soviet Union--without going through

bases in any of the South Pacific territories.

Much of this fishing in the South Pacific is at the subsistence level, that is, for consumption in the family and in the village. Commercial fishing for domestic markets is seriously underdeveloped. None of the South Pacific territories produces enough fish to meet their own demands. They import very large quantities of fish, often more than half of the amount needed for local consumption.

### Problems

Traditionally, people concerned with fisheries management have concentrated quite narrowly on improving the data base available to guide management decisions on increasing production and on conserving the stocks by preventing overfishing. But there are a number of other issues which ought to be of concern to those responsible for fisheries management.

The largest importer of fish in the world is the United States, which imports more fish than all less developed countries combined. The overall pattern in the world's fisheries trade is that the product tends to flow from less developed to more highly developed countries. This is demonstrated by the fact that countries tend to import fish from countries that have lower levels of development than the countries to which they send their fish exports.

This global pattern is the same as that found within nations. Fish, along with other foods, flows from the poorer rural areas to the richer metropolitan areas. The reasons are the same. It is not so much that the needs are greater in the central, metropolitan areas as it is the fact that those in the center, being richer, can easily outbid those in the periphery for those products.

While great quantities of fish follow this pattern, migrating via the trade routes to the more highly developed countries, there is also a very

substantial flow of fish in the opposite direction. Most of this fish is cheap canned mackerel from Japan. This import of fish occurs largely because of the lack of development of commercial fisheries for domestic markets in the South Pacific. The problem is compounded by the fact that the foreign exchange needed for the imports of food requires a strong export orientation to earn that foreign exchange. The imports of great quantities of food, rather than of other, more dispensible commodities, creates great dependency on, and thus great vulnerability to, outsiders.

In many of the fishing operations in the South Pacific much of the employment is taken up by outsiders rather than by local people. The Palau skipjack fishery, for example, employs large numbers of Okinawans and Koreans. Land-based processing facilities are managed almost exclusively by expatriates.

Whether for local people or outsiders, wage rates are extremely low, rarely much more than a dollar an hour. For example, in 1976 the average wage paid to Solomon Islanders working at the Solomon Taiyo cannery was U.S.\$686 for the year. This was relatively good by local standards, but very poor from a global perspective.

In not taking a fuller share of benefits, each low income worker who helps to furnish tuna sandwiches for distant Americans or Japanese or Europeans in effect subsidizes their lunches.

There are severe problems of malnutrition in the South Pacific, particularly in Papua New Guinea, Western Samoa, and the New Hebrides. This results in part from the decline of traditional fishing and gardening, and barter, and the trend toward urbanization and the increasing dependence on the money economy. The strengthening of local fishing for local consumption can help to meet this problem.

### Comparative Disadvantage

The economic doctrine of comparative advantage is part of the larger set of ideas advocating free trade and the division of labor. Supposedly, under a free market, where each party does what it can do best, and then trades with others, everyone is better off. There is high efficiency in production, and there is a good distribution of benefits.

On examination, however, it appears that the argument does not hold in relation to the fishing industry in the South Pacific. The territories of the South Pacific, with very generous endowments of ocean, have no significant commercial fishing industry of their own. The benefits go primarily to those with the advantages of capital and technology rather than to those with the natural advantages.

The system of free access to fishing waters leads to enormous inefficiencies, particularly to overcapitalization (excessive fishing resources chasing any given quantity of fish) and overfishing, leading to depletion of stocks. Moreover, the efficiency of the free market system is an efficiency in the production of profit. The maximization of profit leads at the same time to relative inefficiency in the production of other values such as basic nutritional value.

Fisheries organized to maximize basic nutritional values would be organized very differently. For example, there would be practically no long distance fishing. Also, there would be far less concentration on "luxury" products, such as bluefin tuna which can sell for three thousand dollars per ton, and more concentration on ordinary food fish.

Evidence on the distribution of benefits from the fishing industry indicates that it is of far greater benefit to the richer, developed nations which control the industry than it is to less developed countries like those of the

South Pacific. For instance, fishermen in California get more than twice the amount paid to fishermen landing the same species in Palau in Micronesia. While both price scales have been increasing over time, the prices paid in California have been increasing faster. Thus, the gap between California fishermen and Palau fishermen is wide and widening.

The growth of the tuna business has not led to a broadening of the range of the consumers of tuna. Instead, the rapid growth of production has been accompanied by a corresponding rise of consumption in the United States, Japan, and western Europe. The United States has been consuming an increasingly large portion of an increasingly large total. Describing tuna as a luxury product may help to explain this, but it does not justify it.

#### Regional Organization

The idea of creating a new fisheries management organization for the South Pacific first emerged at a meeting of the South Pacific Forum held in Suva, Fiji, in 1976.

Originally, the organization was conceived by most Forum members as a means of coordinating policies with which to face the distant-water fishing nations. In this approach, the organization would amount to a kind of cartel, demanding higher royalties or licensing fees for access to the waters in their jurisdiction.

As events unfolded, however, this understanding became muddled, largely because the United States was admitted to full participation in the negotiations to plan the organization. The United States nominally represents its non-sovereign territories in the region, but in fact it spoke for its interests as a major distant-water fishing nation and as a major industrial fish processing and marketing nation.

The major divisive issue was the question of whether highly migratory

species like tuna should be recognized as being included within the 200-mile zones of national jurisdiction over fishing. Fearing that the access of its distant-water fishing fleets might be limited, the United States has consistently refused to recognize the inclusion of those species within the 200-mile zones. The South Pacific nations, however, argued that the highly migratory species must be included, especially since they are the only resource of significant commercial value within their zones.

It has become increasingly clear that the less developed nations of the South Pacific also have enormous differences among themselves. The larger nations of the region hope to exploit the fisheries resources themselves, while the smaller nations expect to benefit primarily from royalties and license fees obtained from outside fishing nations.

And with many bilateral negotiations already underway, and the apparent eagerness of some nations to offer their resources to outsiders, the declared intention of the South Pacific nations to coordinate their negotiations with outside nations is open to question. As a result, the provisional agreements for a regional fisheries organization negotiated in Suva fell apart after acrimonious debate in Niue in September, 1978. However, they did agree to create a different organization, the South Pacific Forum Fisheries Agency, which excludes the United States.

It is possible that the nations of the region will find specific bases for cooperation in, rather than in spite of, their own interests. At the opening of the November, 1977, meeting in Suva, the Director of the South Pacific Bureau of Economic Cooperation said that "Some of the resources of the ocean belong to the region as a whole. They must be managed by the region as a whole, and the benefits should be shared by the region as a whole." Through progressive cooperation, it could be that the nations of the South

Pacific will slowly move toward the increasingly explicit recognition that at least some of the resources of the region should be regarded as the common heritage of all of the peoples of the region.